

Appendix A

KIAWAH ISLAND UTILITY, INC.
31 Sora Rail Road
Johns Island, S.C. 29455
(843) 768-0641

Schedule of Rates and Charges

RATE SCHEDULE NO. 1 RESIDENTIAL SERVICE

AVAILABILITY - Available within the Company's service area.
APPLICABILITY - Applicable to any residential customer for any purpose.

Water Service Charges

| | | |
|----|------------------------|------------------|
| A. | Base Facilities Charge | |
| | 5/8" meter | \$29.92 / mo. |
| | 3/4" meter | \$44.89 / mo. |
| | 1" meter | \$74.81 / mo. |
| | 1 1/2" meter | \$149.62 / mo. |
| | 2" meter | \$239.40 / mo. |
| | 3" meter | \$523.68 / mo. |
| | 4" meter | \$1,502.90 / mo. |

Base Facilities Charge for water service with meters larger than 4" shall be:

Maximum recommended meter capacity (gpm) x \$29.92 per mo.
20 gpm

| | | |
|----|---|-------------------|
| B. | Consumption Charge | |
| | All up to 11,000 gals./mo. | \$3.06 /1000 gal. |
| C. | Excess Consumption Charge #1 | \$3.51 /1000 gal. |
| | All over 11,000 gal./mo. and up to 50,000 gal./ mo. | |
| D. | Excess Consumption Charge #1 | \$3.78 /1000 gal. |
| | All over 50,000 gal./mo. | |

Sewer Service Charges

| | | |
|----|------------------------|------------------|
| A. | Base Facilities Charge | |
| | 5/8" water meter | \$22.86 / mo. |
| | 3/4" water meter | \$34.29 / mo. |
| | 1" water meter | \$57.15 / mo. |
| | 1 1/2" water meter | \$114.29 / mo. |
| | 2" water meter | \$182.87 / mo. |
| | 3" water meter | \$400.03 / mo. |
| | 4" water meter | \$1,236.78 / mo. |

Base Facilities Charge for sewer service where water service is through meters larger than 4" shall be:

Maximum recommended meter capacity (gpm) x \$22.86 per mo.
20 gpm

| | | |
|----|---|-------------------|
| B. | Consumption Charge based on Water Usage | |
| | All up to 11,000 gals./mo. | \$0.60 /1000 gal. |

Tap-In Fees

| | |
|------------------|----------|
| Water Tap-In Fee | \$500.00 |
| Sewer Tap-In Fee | \$500.00 |

The tap-in fee provides for installation of the normal size residential meter of 5/8" by 3/4".

Where the customer requests a larger meter, the Company will apply the tap-in schedule for larger meters as listed in the Commercial Service Schedule No. 2.

RATE SCHEDULE NO. 2 COMMERCIAL SERVICE

AVAILABILITY
APPLICABILITY

- Available within the Company's service area.
- Applicable to any commercial or master metered residential customer for any purpose except hotel or motel use (see Rate Schedule No. 3).

Water Service Charges

| | | |
|----|------------------------|------------------|
| A. | Base Facilities Charge | |
| | 5/8" meter | \$29.92 / mo. |
| | 3/4" meter | \$44.89 / mo. |
| | 1" meter | \$74.81 / mo. |
| | 1 1/2" meter | \$149.62 / mo. |
| | 2" meter | \$239.40 / mo. |
| | 3" meter | \$523.68 / mo. |
| | 4" meter | \$1,502.90 / mo. |

Base Facilities Charge for water service with meters larger than 4" shall be:

$$\frac{\text{Maximum recommended meter capacity (gpm)} \times \$29.92 \text{ per mo.}}{20 \text{ gpm}}$$

| | | |
|----|--------------------|--|
| B. | Consumption Charge | \$3.78 /1000 gal. for all consumption |
|----|--------------------|--|

Sewer Service Charges

| | | |
|----|------------------------|------------------|
| A. | Base Facilities Charge | |
| | 5/8" water meter | \$22.86 / mo. |
| | 3/4" water meter | \$34.29 / mo. |
| | 1" water meter | \$57.15 / mo. |
| | 1 1/2" water meter | \$114.29 / mo. |
| | 2" water meter | \$182.87 / mo. |
| | 3" water meter | \$400.03 / mo. |
| | 4" water meter | \$1,236.78 / mo. |

Base Facilities Charge for sewer service where water service is through meters larger than 4" shall be:

$$\frac{\text{Maximum recommended meter capacity (gpm)} \times \$22.86 \text{ per mo.}}{20 \text{ gpm}}$$

| | | |
|----|---|--|
| B. | Consumption Charge based on Water Usage | \$2.34 /1000 gal. for all consumption |
|----|---|--|

Tap-In Fees

| | <u>Water Tap-In Fee</u> | <u>Sewer Tap-In Fee</u> |
|--------------|-------------------------|-------------------------|
| 5/8" meter | \$500.00 | \$500.00 |
| 3/4" meter | \$750.00 | \$750.00 |
| 1" meter | \$1,250.00 | \$1,250.00 |
| 1 1/2" meter | \$2,500.00 | \$2,500.00 |
| 2" meter | \$4,000.00 | \$4,000.00 |
| 3" meter | \$8,750.00 | \$8,750.00 |

Water tap-in fee and sewer tap-in fee for water and sewer service where the water meter is larger than 3" shall be:

$$\frac{\text{Maximum recommended meter capacity (gpm)} \times \$500.00}{20 \text{ gpm}}$$

RATE SCHEDULE NO. 3 HOTEL AND MOTEL SERVICE

- AVAILABILITY - Available within the Company's service area.
APPLICABILITY - Applicable to all hotel and motel customers for any purpose.

Water Service Charges

| | |
|------------------------|-------------------|
| Base Facilities Charge | \$12.02 /mo./room |
| All Consumption | \$3.78 /1000 gal. |

Sewer Service Charges

| | |
|------------------------|-------------------|
| Base Facilities Charge | \$9.14 /mo./room |
| All Consumption | \$2.34 /1000 gal. |

Tap-In Fees

| | |
|------------------|----------------|
| Water Tap-In Fee | \$220.00 /room |
| Sewer Tap-In Fee | \$220.00 /room |

RATE SCHEDULE NO. 4 IRRIGATION SERVICE

- AVAILABILITY - Available within the Company's service area. The Company reserves the right to limit or reduce the irrigation service available when, in its sole judgment, its water system conditions require such restrictions.
APPLICABILITY - Applicable only to customers who anticipate substantial potable water use which will not be returned to the Company's wastewater treatment system such as irrigation. Such water consumption shall be metered separately from any water use supplied under other rate schedules.

Water Service Charges

| | | |
|----|------------------------|------------------|
| A. | Base Facilities Charge | |
| | 5/8" meter | \$29.92 / mo. |
| | 3/4" meter | \$44.89 / mo. |
| | 1" meter | \$74.81 / mo. |
| | 1 1/2" meter | \$149.62 / mo. |
| | 2" meter | \$239.40 / mo. |
| | 3" meter | \$523.68 / mo. |
| | 4" meter | \$1,502.90 / mo. |

Base Facilities Charge for water service with meters larger than 4" shall be:

$$\frac{\text{Maximum recommended meter capacity (gpm)} \times \$29.92 \text{ per mo.}}{20 \text{ gpm}}$$

| | | |
|----|----------------------------|-------------------|
| B. | Consumption Charge | |
| | All up to 50,000 gals./mo. | \$3.51 /1000 gal. |
| C. | Excess Consumption Charge | \$3.78 /1000 gal. |
| | All over 50,000 gal./mo. | |

Tap-In Fees

| | |
|--------------|------------|
| 5/8" meter | \$500.00 |
| 3/4" meter | \$750.00 |
| 1" meter | \$1,250.00 |
| 1 1/2" meter | \$2,500.00 |
| 2" meter | \$4,000.00 |
| 3" meter | \$8,750.00 |

Water tap-in fee where the water meter is larger than 3" shall be:

$$\frac{\text{Maximum recommended meter capacity (gpm)} \times \$500.00}{20 \text{ gpm}}$$

RATE SCHEDULE NO. 5 FIRE HYDRANT SERVICE

| | |
|----------------------|---|
| <u>AVAILABILITY</u> | - Available within the Company's service area. |
| <u>APPLICABILITY</u> | - Applicable to fire hydrants connected to Company water mains. |

Water Service Charges

\$117.75 per hydrant per year payable semiannually in advance for fire fighting service.

When temporary water service from a hydrant is requested by a contractor or others, a meter will be installed and the charge will be:

\$8.00 for each day of use, PLUS \$4.17/1000 gals for ALL water used, PLUS a \$50 security deposit.

RATE SCHEDULE NO. 6 GOLF COURSE IRRIGATION

| | |
|----------------------|---|
| <u>AVAILABILITY</u> | - Available within the Company's service area. |
| <u>APPLICABILITY</u> | - Applicable for golf course irrigation where the customer agrees to take as a minimum quantity the treated effluent from the wastewater treatment plant. |

Water Service Charges

| | | |
|----|--|-------------------|
| A. | Effluent water will be billed at a rate of: | |
| | Base Facilities Charge per Golf Course | \$3,795.53 / mo. |
| | Consumption | \$0.17 /1000 gal. |
| B. | Deep well water will be billed at a rate of: | |
| | Base Facilities Charge per Golf Course | \$929.79 / mo. |
| | Consumption | \$0.24 /1000 gal. |
| C. | Potable water will be billed at a rate of: | |
| | Base Facilities Charge per Golf Course | \$711.51 / mo. |
| | Consumption | \$3.78 /1000 gal. |

RATE SCHEDULE NO. 7 FIRE LINE SERVICE

| | |
|----------------------|--|
| <u>AVAILABILITY</u> | - Available within the Company's service area. |
| <u>APPLICABILITY</u> | - Applicable for private fire lines. |

Water Service Charges

| | |
|------------------------|---------------|
| Base Facilities Charge | |
| 2" Line | \$7.08 / mo. |
| 3" Line | \$12.92 / mo. |
| 4" Line | \$22.40 / mo. |
| 6" Line | \$44.80 / mo. |

Tap-In Fees

| | |
|---------|-------------|
| 2" Line | \$4,000.00 |
| 3" Line | \$8,750.00 |
| 4" Line | \$25,000.00 |

Water tap-in fee where the service is larger than 4" shall be based on the tap-in fee schedule as listed in the Commercial Service Schedule No. 2.

**CHARGES FOR SERVICE DISCONTINUANCE, RECONNECTION
AND OTHER MISCELLANEOUS SERVICE CHARGES**

1. When a customer requests discontinuance of service for reasons other than major repair, maintenance, or construction at the service address or for the transfer of possession or ownership of the service address, the Company may charge the equivalent of three months of basic facilities charges for both water and sewer service and require payment of such charges when for any reason service is restored to that particular customer.
2. Reimbursement of cost to make repairs to services or meters caused by others will be charged at actual cost as allowed per PSC Regulations 103-726 and R.103-733.5
3. Whenever service is disconnected for violation of rules and regulations, nonpayment of bills or fraudulent use of service, the Company may make a charge of \$50.00
4. Whenever service has been disconnected for reasons other than set forth in (3) above, the Company shall have the right to charge a \$25.00 reconnection fee to restore service.
5. Delinquent Notification Fee - \$10.00. A fee of \$10.00 shall be charged each customer to whom the Company mails a notice of discontinuance of service as required by the Commission rules prior to service being discontinued. This fee assesses a portion of the clerical and mailing costs of such notices to the customers creating that cost.
6. Customer Account Charge - \$25.00. One-time fee charged to each new account to defray costs of initiating service.
7. Return Check Charge (NSF) - \$25.00
8. DHEC Charge. If the South Carolina Department of Health & Environmental Control charges the Company an assessment based on customer units served by the Company, the Company may bill its customers for the applicable unit cost of that assessment. The charge shall be identified as a separate billed item and included in the total of the service billing.

PURCHASED WATER ADJUSTMENT

Kiawah Island Utility, Inc. ("Company") purchases its potable water from the St. John's Water Company ("St. John's"), which in turn purchases the water from the Commissioners of Public Works of the City of Charleston ("CPW"). Whenever CPW increases the price of water sold to St. John's, the increase in price is passed through to the Company pursuant to the water purchase agreement between the Company and St. John's.

The water purchase agreement also provides, as part of the purchased water price, a pro-rata share of St. John's annual operation and maintenance costs to be charged to the Company. Therefore, the Company's revenue requirement for purchased water is made up of the water unit price per thousand gallons and the operation and maintenance costs charged by St. John's.

Accordingly, whenever there is a price adjustment for the purchase of potable water to Kiawah Island Utility, Inc. by the St. John's Water Company, the following billing adjustment shall be made by the Company to its customer rates:

1. Billing Adjustment

In the event that St. John's adjusts (whether an increase or decrease) the unit price per 1,000 gallons and/or the operation and maintenance charges related to the purchase of potable water, the following billing adjustment practice would apply:

- (a) If the unit price is adjusted the cost change per 1,000 gallons would be passed through to the customers as an adjustment in like amount to the consumption charge on their water bill.

Example: The unit price of purchased water is increased by two cents per 1,000 gallons. The consumption charge on the customer's bill would reflect a two cent per 1,000 gallon increase.

- (b) If the pro-rata operation and maintenance charge is adjusted the cost change per 1,000 gallons (based on the most recent 12 months of potable water billed) would be passed through to the customers as an adjustment to the consumption charge on their water bill.

Example: The annual operation and maintenance charge is increased by \$18,000 and the most recent 12 months of potable water billed is 900,000 thousand gallons. The consumption charge on the customers bill would reflect a two cent per 1,000 gallon increase.

2. Notification

Any special billing adjustment shall not be billed until the following conditions are met:

- (a) The Company shall furnish the South Carolina Public Service Commission satisfactory proof of the basis for the adjustment and the billing method to be utilized at least sixty (60) days prior to its proposed effective date.
- (b) The Company shall furnish thirty (30) days prior written notice to the customers affected by the Purchased Water Adjustment advising them of the basis for the billing adjustment and its effective date.